

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

REORGANIZATION OF CONTEL CELLULAR)	
INC., GTE MOBILNET INCORPORATED, GTE)	
MOBILNET OF CLARKSVILLE)	
INCORPORATED, GTE MOBILNET OF)	
INDIANA INCORPORATED, GTE MOBILNET)	CASE NO. 97-433
HOLDING INCORPORATED, GTE MOBILNET)	
OF INDIANAPOLIS INCORPORATED, GTE)	
MOBILNET OF KENTUCKY INCORPORATED)	
AND GTE WIRELESS OF THE SOUTH)	
INCORPORATED)	

O R D E R

On October 16, 1997, Contel Cellular Inc. and GTE Mobilnet Incorporated requested approval for their plan to reorganize various operating companies. All of the entities involved in the reorganization are under common control. The purpose of the reorganization is to consolidate and simplify the cellular holdings of Contel Cellular Inc., a Delaware Corporation which is a wholly owned subsidiary of GTE Corporation.

Proposed Reorganization

The proposed reorganization will eliminate levels of ownership and will produce a more efficient management and operation of the systems. The reorganization involves several entities. Contel Cellular Inc. will merge into GTE Mobilnet Incorporated. GTE Mobilnet of Kentucky Incorporated will merge into GTE Wireless of the South Incorporated. GTE Mobilnet of Indiana Incorporated will merge into GTE Wireless of the Midwest Incorporated, formerly GTE Mobilnet of Indianapolis Incorporated. GTE Mobilnet Holding Incorporated will be liquidated and the stock it holds of its wholly owned

subsidiary, GTE Mobilnet of Clarksville Incorporated, will be disbursed to the parent company.

At the conclusion of the reorganization, GTE Mobilnet Incorporated, the wholly owned subsidiary of GTE Corporation, will have three wholly owned subsidiaries -- GTE Wireless of the Midwest Incorporated, GTE Wireless of the South Incorporated, and GTE Mobilnet of Clarksville Incorporated. These surviving operating companies of GTE Mobilnet Incorporated will adopt the tariffs of the merged companies. Each of the surviving utilities has the financial, technical and managerial ability to provide reasonable service. The personnel and assets of the utilities will be unchanged.

Applicable Law

Pursuant to KRS 278.020(4), persons under the jurisdiction of the Commission are required to receive Commission approval prior to the acquisition or transfer of ownership or control of a utility. KRS 278.020(5) prohibits any entity from acquiring control of any utility under the jurisdiction of the Commission without prior approval. KRS 278.020(6) exempts utilities from the provisions of Section (5) if the acquisition of control of the utility is for purposes of corporate reorganization. Contel Cellular Inc. and GTE Mobilnet Incorporated assert that the acquisition of control is by acquirers who are under common control with the utilities, and thus Section (5) does not apply.

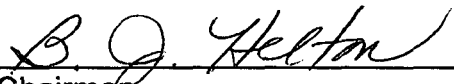
The proposed reorganization will not harm consumers and will enhance the provision of cellular service. The reorganization is for a proper purpose and consistent with the public interest and, accordingly, consistent with the requirements of KRS 278.020(4).

The Commission, having been otherwise sufficiently advised, HEREBY ORDERS
that:

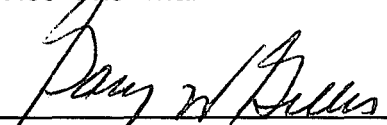
1. The proposed reorganization is approved.
2. Within 30 days of the proposed reorganization, GTE Mobilnet Incorporated shall give notice to the Commission of the closing.
3. If the proposed transfer does not occur, GTE Mobilnet Incorporated shall so notify the Commission.
4. Within 30 days of the closing of the proposed reorganization, the surviving utilities shall file adoption notices pursuant to 807 KAR 5:011, Section 11.

Done at Frankfort, Kentucky, this 12th day of December, 1997.

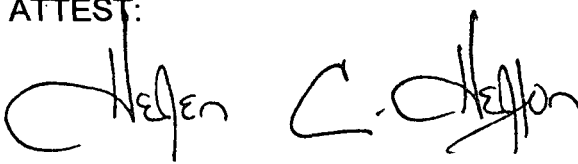
PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director